

Labor-Management Advisory Council - Meeting May 11th, 2016

Carlos Luna, Director of Government Affairs
Reed Group, Ltd., American College of Occupational and Environment Medicine
(ACOEM)

10355 Westmoor Drive
Westminster, CO 80021

Hello Members of the Labor-Management Advisory Council:

On behalf of Reed Group, Ltd., owners of the Evidence-Based Medicine Treatment Guidelines researched and developed independently by the American College of Occupational and Environmental Medicine (ACOEM), I am present today to advise that we strongly support the State of Montana adopting a drug formulary founded in evidence-based medicine (EBM) for use within the State's Workers' Compensation system.

Since 1981, Reed Group has been a leading Evidence-based Medicine (EBM) guidelines provider that offers original content focused on the therapeutic benefits of returning to work following a serious health condition. Reed Group's EBM guidelines are used by clinicians, insurers, employers, healthcare organizations, and government agencies to guide important decisions on treatment, pharmaceutical drug prescription recommendations, rehabilitation, and return-to-work expectations.

ACOEM is currently adopted in Montana as part of the State's Utilization and Treatment Guidelines (UTGs). The College represents more than 4,500 physicians and other health care professionals that specialize in occupational and environmental medicine (OEM), and is the nation's largest medical society that since 1916 has dedicated itself to promoting the health of workers through preventive medicine, clinical care, research and education.

Reed Group is in favor of the adoption of an evidence-based drug formulary for use to support medical decisions respective to the prescription of pharmaceutical agents. In addition, Reed Group recommends that the adopted formulary take into consideration the patient's medical condition/diagnosis and



phase of care (acute or chronic). The acceptance of an oversimplified "list" of drugs without regard to the patient's medical condition and phase of care (i.e., acute or chronic) will present the following unintended consequences:

- 1. Prescriptions written and filled for inappropriate medical conditions
- 2. Retrospective denials of prescriptions filled for inappropriate medical conditions or non-compensable medical conditions
- 3. Add administrative burden, increase in administrative costs due to retrospective disputes/variances and denials
- 4. Delay of much needed care to injured workers

Recommendation

Reed Group recommends that Montana consider adopting a patient-centric, diagnosis specific formulary linked to true EBM. The formulary should:

- Directly link pharmaceutical recommendations to a medical condition/diagnosis to ensure appropriateness of the drug prescription at the point of care
- Take the patient's phase of care into consideration
 - Some pharmaceutical agents are appropriate at the acute phase, but not the chronic phase
- Prevent the prescription and filling of "approvable" medications for inappropriate medical conditions/diagnoses
- Avoid the cost of prescription drugs that do not provide any significant benefit in a given medical condition/diagnosis
- Maintain patients' wellbeing at the center of the of the decision-making process at all times

Determining the clinical appropriateness of therapy incorporates the patient and the specifics of their injury as it does the risk-benefit profile of the drug itself. Even a perceivably benign drug, like Ibuprofen, can have very serious or even fatal adverse effects if prescribed at excessive doses for the wrong patient. From a prescriber point of view, having a condition/diagnosis-based formulary means having guidance upfront on which medications will be approved for their patients for specific conditions. From a claims point of view, it means that decision will be made based upon a strong clinical evidence base. We will be able to ensure that the appropriate treatment is provided to the right patients



(based on condition/diagnosis) efficiently, freeing up time to focus on managing more complex issues.

The success of any formulary implementation, first and foremost, hinges on the formulary being broadly understood. With the State of Montana widely using the EBM ACOEM Treatment Guidelines through its adoption of the UTGs, there is a benefit to adopting the ACOEM-based condition-specific formulary.

The adoption of the ACOEM-based formulary ensures the use of the highest quality EBM guidelines developed with a rigorous, reproducible, and transparent methodology that aligns with the Institute of Medicine (IOM) and The Appraisal of Guidelines for Research and Evaluation (AGREE) criteria for EBM reviewed by external review panels.

Thank you for considering our recommendations for adopting a drug formulary for use in the State of Montana's Workers' Compensation system. Please contact me with any questions or to request any additional background on this important matter

Sincerely,

Carlos Luna

Director of Government Affairs,

MDGuidelines®

Reed Group, Ltd.

P: 303.407.0682

E: CLuna@ReedGroup.com